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ABSTRACT

This report provides the recommendations of a private sector committee to advise the Manitoba government on strategies for preparing the provincial work force to compete in the global economy. The report contains 10 sections: (1) background to the initiative; (2) Manitoba's changing labor market; (3) partners in skills development; (4) developing a provincial labor force strategy; (5) building the foundations--the role of the public school system; (6) new directions--Manitoba's community colleges; (7) facilitating human resource planning and training; (8) revitalizing the apprenticeship system; (9) native education and training strategy; and (10) an outline for change--major recommendations. Six major recommendations are discussed: (1) develop a provincial labor force strategy; (2) improve the public school system; (3) strengthen the community colleges; (4) facilitate human resource planning and training; (5) revitalize the apprenticeship system; and (6) address the education and training needs of Canada Natives. (NLA)

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PARTNERS IN SKILLS DEVELOPMENT

THE REPORT OF THE
SKILLS TRAINING ADVISORY COMMITTEE

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**Minister of
Education and Training**

Room 168
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8



August 1990

It is my pleasure to introduce the report of the Skills Training Advisory Committee, *Partners in Skills Development*.

Last summer I announced the establishment of the Committee, comprised of broad representation from the private sector, to advise the Manitoba government on strategies to prepare the provincial work force to compete in the global economy. This report provides the recommendations of the Committee on how Manitobans can collectively meet the challenges of the 1990s.

The report investigates a number of important issues, including the role of government, the private sector, the public school system, and our community colleges, in developing the skills of the labour force. It stresses the importance of training partnerships to improve the skills of both new and existing workers and makes recommendations which provide a sound basis for the development of a provincial labour force strategy.

A skilled, adaptable and productive labour force is essential to Manitoba's ability to compete during this period of rapid market and technological change. In the near future, I will introduce a new provincial skills training strategy as a blueprint for developing a strong "training culture" throughout our province. I am confident that Manitoba will face the challenges and benefit from the opportunities of the coming decade through our collective efforts to develop the skills and abilities required to compete and prosper.

Sincerely yours,

Len Derkach
Minister

PARTNERS IN SKILLS DEVELOPMENT

THE REPORT OF THE SKILLS TRAINING ADVISORY COMMITTEE

Vous pouvez vous procurer un exemplaire français du présent rapport en vous adressant à la Direction des communications, Bureau 116, 1200 avenue Portage, Winnipeg, R3G 0T5, 945-6185.

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PARTNERS IN SKILLS DEVELOPMENT

INTRODUCTION

A recent survey conducted by the Canadian Labour Market and Productivity Centre found that the majority of business and labour leaders identified education and training as "either the first or second most important factor in improving competitiveness." These factors were considered of greater importance than lower interest rates, a reduced deficit, or increased research and development spending.

The survey also indicated that an overwhelming majority of business and labour leaders (87% and 64% respectively) want direct involvement of employers in training programs and not simply a consultative role. A majority also approved of unions having a direct role and agreed that business should provide funding for training and re-training programs.

Learning has become a lifelong process requiring workers to update knowledge and develop new skills constantly. Traditional approaches must be reconsidered in view of the changing marketplace and the changing composition of the labour force.

To compete effectively will require commitment to innovation and flexibility on the part of all participants. Government must adopt policies and structures which reflect the dynamics of the marketplace and provide for greater participation by labour and the private sector in the planning function. The private sector must accept its responsibility to invest in human resources just as it has accepted the need to invest in physical facilities. Labour must be prepared to accept change and assist in the education and training process.

Many countries and regions have achieved superior economic performance and enhanced labour market flexibility through planned training investment. In Manitoba, the combined pressures resulting from rapid introduction of new technologies, external competition and industrial restructuring, must be addressed through improved skills training and labour market planning.

This report identifies key priorities for developing a more effective and efficient training system. The recommendations are directed towards developing a training culture capable of stimulating investments in skills training to enhance the economic and social well-being of all Manitobans.

I want to thank members of the Committee who gave their time, and expertise without compensation. Ex-officio members of the Committee participated fully in deliberations and provided valuable assistance in specific areas of concern.

A special vote of thanks is extended to Paul Goyan, the Executive Co-ordinator and Secretary of the Committee, whose guidance and research assistance were critical in the preparation of this report.

We are also indebted to the many individuals who gave freely of their time to discuss, with the Committee, specific problems in the field of education and skills training. It is our earnest hope that the efforts of all these individuals which are reflected in the report assist in formulating policies which will contribute to the well-being of the province.

*Arthur V. Mauro
Chairperson*

July, 1990

BACKGROUND TO THE INITIATIVE

Recognizing that a skilled, adaptable, and productive labour force is essential to Manitoba's ability to compete during this period of rapid market and technological change, the government announced its intention to establish the Skills Training Advisory Committee in the Speech from the Throne on May 18, 1989. The initiative was designed as a consultation to determine the needs of the private sector. An important outcome of the initiative will be the implementation of a provincial training strategy designed to ensure that Manitoba will have the human resources required to face the challenges and opportunities of the coming decade.

The consultative process on skills training followed two recent events. In January 1989, an external review of provincial employment-related training programs carried out by Johnston-Lahey Associates for the Minister of Finance identified the need for a comprehensive assessment of the training needs of various market segments and recommended that training priorities be established and coordinated within a common strategy.

On April 21, 1989, Premier Gary Filmon announced the reorganization of government departments and the creation of the Department of Education and Training as an important step in improving the provincial education and training system, under the leadership of the Honourable Len Derkach. Premier Filmon stated:

The new department--responsible for education, training, and labour market matters--is better situated to strengthen the planning, coordination, and delivery of provincial training programs and services in order to develop Manitoba's human resources, supporting both individual opportunity and our collective economic and social well-being.

The Skills Training Advisory Committee was established to undertake an assessment of existing skills training programs and delivery methods, to identify priorities, and suggest ways in which labour market partners (governments, the private sector, labour, public training institutions, and communities) can better work together in developing the province's human resources. This will also help to ensure that limited public resources are allocated in an efficient and effective manner. The Committee was also asked to identify ways in which the government might facilitate the creation of a "training culture" within Manitoba by developing the necessary partnerships among stakeholders.

Terms of Reference

The Terms of Reference directed that the Skills Training Advisory Committee:

1. Determine the skills training needs of business and industry including:
 - . the appropriate balance between training new entrants and upgrading the existing workforce;
 - . the identification of key skills, occupations, industries and sectors critical to economic performance; and
 - . the particular skills training needs of small business.
2. Assess existing skills training programs, services, delivery methods, and infrastructure.
3. Determine ways in which business, government, community colleges and other public training institutions can work together in building training partnerships and a "training culture" within Manitoba.
4. Make recommendations for a provincial skills training strategy.
5. Consult with existing advisory bodies and consultative mechanisms in carrying out its mandate.

Members of the Committee

Thirteen members were appointed from business, industry and organized labour. Ex-officio members were appointed from three provincial departments. The members of the Committee were:

Arthur V. Mauro - CHAIRPERSON
Chief Executive Officer
Investors Group Inc.

Frank Hinings
Vice-President, Administration
Bristol Aerospace Ltd. and representing
The Winnipeg Chamber of Commerce

George Provost
Vice-President, Manitoba Division
The Canadian Manufacturers' Association

Garth Whyte
Director, Manitoba Division
Canadian Federation of Independent Business

Paul Richards
Vice-President/General Manager
Repap Manitoba Inc.

Jim Ashcroft
Vice-President, Operations
Inco Manitoba Ltd.

Marion Cooper
Vice-President, Corporate Systems
Great-West Life Assurance Co.

Albert Leung
Vice-President, Operations
ABI-Biotechnologies Inc.

Gervin Greasley
Executive Vice-President
The Winnipeg Construction Association Inc.

Bob Douglas
General Manager
Keystone Agricultural Producers

Susan Thompson
President
The Birt Saddlery Co. Ltd.

Len Flett
Native Affairs Manager
Northern Stores

Leo Desilets
President, Manitoba and Winnipeg
Building and Construction Trades Council

Ex-Officio:

Nancy Sullivan
Assistant Deputy Minister
Post-Secondary Adult Continuing Education
and Training Division
Manitoba Education and Training

Dennis Cleve
Assistant Deputy Minister
Industry and Trade Division
Manitoba Industry Trade and Tourism

Jim Nykoluk
Director, Research and Planning
Manitoba Labour

Ray Newman
President
Red River Community College

Paul Goyan
Executive Coordinator/Secretary
Skills Training Advisory Committee

The work of the Committee was supported by a Technical Working Group made up of officials from various government departments and the three community colleges.

Process

Four plenary meetings of the Committee were held. In addition, four sub-committees were established to consider skills training issues along sectoral lines:

1. Resource Industries and Related Manufacturing,
2. Manufacturing Industries (excluding wood, paper and primary metals),
3. Construction, Transportation, Communication and Utilities Industries,
4. Wholesale and Retail Trade and Service Industries.

Limitations

The initiative was designed as a consultation with the private sector on skills training. As a result, given the terms of reference, committee membership, and the time frame for completing its mandate, the Committee did not consider several important elements which fit within the broader context of education, training and the labour market. The following elements were not included:

- University education;
- Training and employment equity (excluding Natives);
- Labour adjustment and employment services; and
- Public sector training requirements.

In general, the Committee felt it was most important to look broadly at the skills training system and to identify critical issues. Within this context, the Committee also considered the public school system and the education and training requirements of youth and aboriginal people. Given the time frame for completing its mandate, the Committee did not focus on identifying industry-specific requirements or evaluate individual training programs.

Summary

This report makes recommendations for improving the provincial education and training system and outlines a provincial skills training strategy. Its findings are presented in the following order:

- Manitoba's Changing Labour Market
- Partners in Skills Development
- Developing a Provincial Labour Force Strategy
- Building the Foundations: The Role of the Public School System
- New Directions: Manitoba's Community Colleges
- Facilitating Human Resource Planning and Training
- Revitalizing the Apprenticeship System
- Native Education and Training Strategy
- An Outline for Change: Major Recommendations.

MANITOBA'S CHANGING LABOUR MARKET

Manitoba's future prosperity will be determined by the quality of its labour force. Emerging trends in labour supply and demand provide a useful starting point for defining the specific issues facing labour market partners. The Committee's mandate, simply stated, is to answer this question: "What are the skills required in order to compete, and how can they best be developed?" Since the market's demands for a skilled workforce must be achieved through the available supply of labour, the juxtaposition of supply and demand provides an indication of our chances of success. When there is a mismatch between labour supply and demand, education and training become the means by which the gap is bridged.

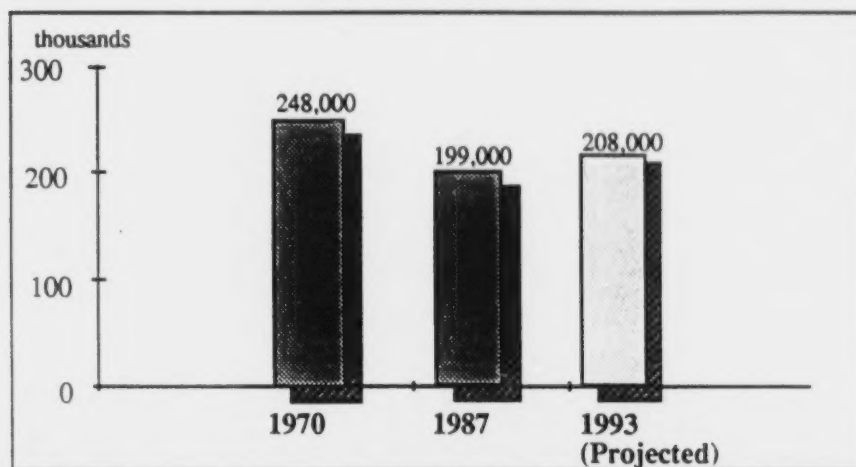
LABOUR SUPPLY

Manitoba's future prosperity will be determined by the quality of its labour force. Emerging trends in the supply of labour have significant implications with respect to the ability of the labour force to respond to the demands of the marketplace. One of the most significant factors affecting the supply of labour over the next decade will be the sharp reduction in new entrants due to slow population growth. The size of the youth cohort has fallen dramatically since the early 1980s. Many of the "baby boomers" are now entering middle age. Labour force growth is dependent upon both the increase in source population and the expansion in the rate of labour force participation. Due to slow population growth and the lessening importance of immigration as a source of skilled workers, increasing the labour force participation rate of under-represented groups will be a key requirement in the 1990s.

Youth

Manitoba's future prosperity will be determined by the quality of its labour force. Past growth in labour demand was substantially achieved through the supply of young people entering the labour force. However, the size of the youth population has been decreasing for some time. Grade school enrolments in Manitoba dropped by 20% from 1970 to 1987, from 248,000 to 199,000. The 15-24 year age group now accounts for only 19.4% of the labour force compared to 26.9% in 1976 according to Statistics Canada. Even so, the youth population will continue to remain an important source of new workers in the coming decade. With fewer youth entrants into the labour force, it is important that they receive appropriate education and training in order to make a successful transition from school to work.

Enrolments in Kindergarten to Grade 12 1970, 1987 and 1993



Source: Manitoba Education and Training

An Aging Labour Force

As the youth population contracts, the average age of workers is increasing. This demographic shift will have a significant impact on the supply of labour. Traditionally, the 15-34 year old age group has been considered the prime cohort for skill acquisition and mobility. In 1978, this group accounted for 53% of the labour force, but by the year 2008 it will decline to 40%.

The statistics for all of Canada are dramatic: the size of the 35-44 age group will increase by 40% between 1986 and 2000 and the 45-54 age group will expand by 73%. Statistics Canada projects that in Manitoba by the year 2000 the number of older workers (ages 45-64) will be 250,000 compared with 153,000 youth (ages 15-24). With an aging workforce, retraining and upgrading will increasingly become a principal means of ensuring the necessary supply of skilled labour.

Women

Over the past ten years, female labour force participation has risen substantially from 49.4% in 1979 to 58.6% in 1989. Females now account for 45% of the Manitoba labour force according to Statistics Canada data. This percentage is expected to increase in the future but at a slower rate. Females remain segregated in a small number of occupations with average earnings below their male counterparts. Through training, there is the opportunity of placing women in jobs of higher value. In this context, it will be important to accommodate unique considerations of some women, such as flexible working arrangements and extended leave to meet family obligations.

Employment Equity for Natives

The requirement that Natives receive more equitable treatment in the labour market must begin with the development of skills through education and training. The 1986 Census indicated that 60% of Natives in Manitoba were under the age of 25. As the size of the total youth population continues to decline, Native youth become an important source of future labour supply. Native workers will comprise an increasingly large proportion of the labour pool in the decade ahead. Natives made up an estimated 6% of the labour force in 1986. Conservatively, they will account for over 12% of potential new entrants prior to the year 2000. Some estimates project that Natives will make up one-quarter of new entrants by the end of the 1990s.

Recent estimates by Statistics Canada indicate that only 16% of on-reserve Native youth complete secondary school and that 34% of Native youth are considered to be functionally illiterate. High Native unemployment and low educational levels have serious implications for the labour market. More importantly, they point to the lack of opportunity for many Natives to participate in the economic and social benefits of the province.

Immigrants

Immigration will likely represent a larger share of new labour force entrants in the 1990s as a result of declining growth in the working age population. However, a return to the utilization of immigration as a source of skilled labour will be hampered by recent trends in immigration demographics. Whereas 78% of all immigrants to Canada in 1968 came from industrialized countries, this share had declined to 32% by 1984.

The Employment-Disadvantaged

Although Manitoba's unemployment rate compares favourably with other provinces, unemployment remains high compared with the pre-recession level of the late 1970s and early 1980s. Much of this increase is due to rising long-term unemployment which frequently results from industrial restructuring and changes in the mix of required skills. The long-term unemployed--those out of work for more than six months--make up a large proportion of the total unemployed. Between 1981 and 1988, the number of long-term unemployed in Manitoba increased by 125% compared to an overall increase in unemployment of 32%. The increase in long-term unemployment has made a serious impact on government expenditures on social assistance. In Manitoba, municipal welfare expenditures relating to this problem have increased by 440% since 1980. Basic education and skills training are important interventions to assist the long-term unemployed in finding re-employment.

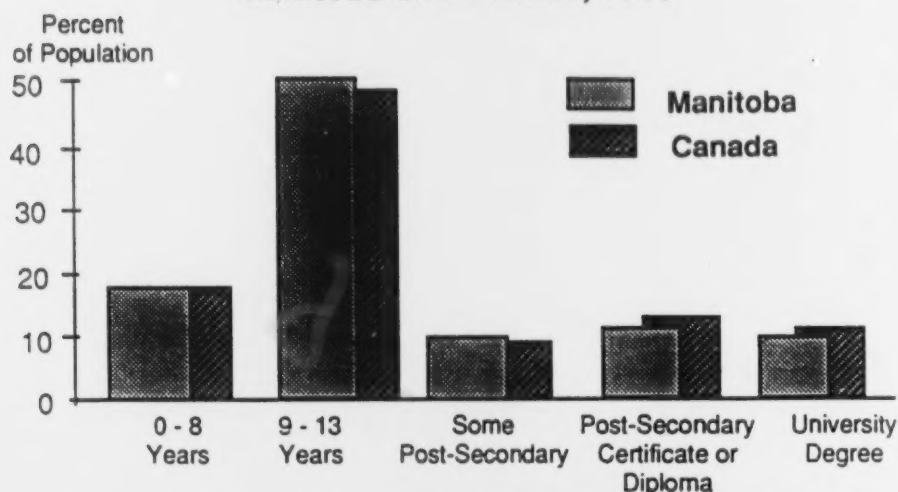
A large proportion of the unemployed are at a disadvantage in competing in the labour market. Groups such as the disabled, immigrants, visible minorities, and social assistance recipients often remain on the periphery of the labour market due to systemic barriers and poor skill levels. Government must take the lead in ensuring greater equity in educational and training opportunities for the employment disadvantaged. The private sector must provide a larger share of jobs to employment disadvantaged individuals who have received training.

Basic Education

While there have been improvements in overall levels of education in recent decades much remains to be done. In Manitoba, 10% of the labour force have less than eight years of education, and 52% have between nine and thirteen years. It is estimated that 45% of the labour force has not completed secondary school. There is growing evidence that the public school system is not providing students with an adequate basic education (e.g., reading, writing and arithmetic), nor the appropriate "work ethic" to equip them for the workplace.

Deficiencies in basic education seriously impede the quality of the labour supply. Individuals without an effective basic education are unable to participate in more complex skills development. A 1987 study prepared for Southam News found that 24% of adult Canadians are functionally illiterate. Since many of these individuals are unable to function productively in the workplace, illiteracy is a major impediment to achieving significant productivity improvements that are increasingly required.

Educational Attainment in the Population 15 Years and Over, Manitoba and Canada, 1989



Source: Statistics Canada, Labour Force Survey

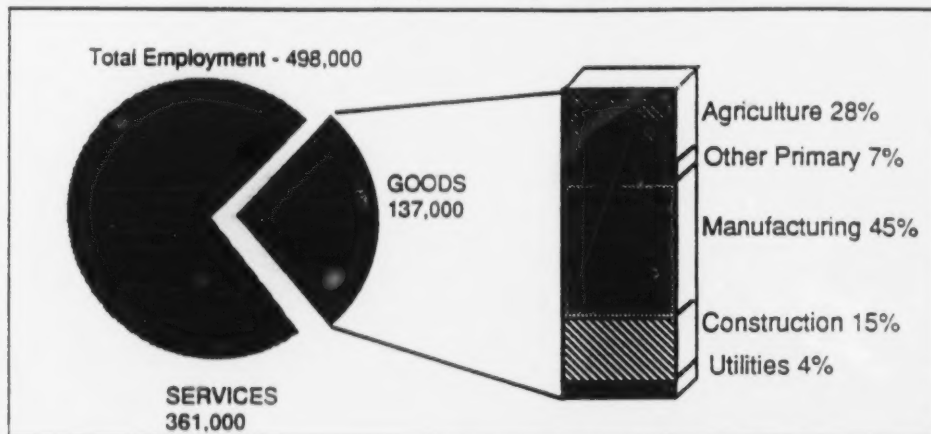
LABOUR DEMAND

The marketplace requires skilled, adaptable and productive workers. A number of changes in the demand for labour are currently taking place and will continue to develop over the next decade. These changes are a result of the introduction of new technologies, globalization of markets, and industrial restructuring, as we move from a resource-based to information-based economy.

The Shift from Goods to Services

Over the past decade, there has been a continuing shift in employment from goods-producing industries to service industries. In 1975, 77% of total employment in Manitoba was in the private sector: 32% in the production of goods and 45% in services. By comparison in 1989, 75% of provincial employment was in the private sector with only 28% in the production of goods and 47% in services. In terms of total provincial employment in 1989, those employed in the production of goods totalled 137,000 (28%) while those providing services totalled 361,000 (72%) according to Statistics Canada data.

Manitoba Employment by Sector - 1989



Source: Statistics Canada, Labour Force Survey

The Economic Council of Canada reports that the composition of employment growth has also changed over the last decade. Between 1980 and 1988, standard (i.e., full-time) employment accounted for only 50% of employment growth; part-time employment accounted for 32%; and non-standard (e.g., self-employment, short-term jobs) accounted for 18%.

Employment in Canada is polarizing into "good-job" and "bad-job" sectors which account for virtually all employment growth. The "good-job" sector is made up of high-skilled jobs that are well-compensated, stable and offer extensive legal protection to workers. The "bad-job" sector is made up of jobs that are less stable, less well-compensated, and less protected. As a result, there has been a decline in middle-earnings jobs with an increase in both high-earnings and low-earnings jobs.

The service sector is comprised of both producer-related and consumer-related services. Contrary to the belief that most service sector jobs are low paying, an increasing number of service sector industries require highly skilled workers and pay substantial remuneration. In order to increase productivity, service sector industries are becoming more capital intensive. This is leading to higher skill requirements, especially in knowledge-intensive areas such as business and financial services.

Much of the growth in the service sector has been in small businesses. The small business sector has been responsible for approximately 75-80% of new jobs over the last decade according to Statistics Canada data. Even more surprising, some forecasts of job creation over the next five years suggest that a majority of new jobs will come from small businesses which are not yet in existence.

The production of goods remains central to the growth of the provincial economy, particularly external trade. In Manitoba, exports accounted for 38% of the real domestic product in 1985. The goods-producing industries are also responsible for much of the growth in services. There is an increasing trend toward the development of value-added manufactured products which include a significant service component. The production of these innovative products, although less labour intensive, requires more highly skilled workers since the manufacturing process incorporates new technology.

The Impact of Technology

The rapid introduction of new technologies in the workplace is demonstrated by the significant increase in the percentage of Canadian workers who have been affected over the past five years. The Economic Council of Canada estimates that in 1990 four times as many workers will be using robotics, computer-assisted design, and automated inspection and quality control technologies as in 1985. Nowhere is the increase more evident than in the use of personal computers: in 1985, computers were used by 4.5% of workers; in 1990, this will increase to 17.5% of the labour force. The computer microchip is now being incorporated into a whole range of goods and services, such as cars, microwaves, VCRs and diagnostic equipment. Technological change results in major modifications in traditional skill requirements within occupational groups and across sectors that must be addressed through training and upgrading.

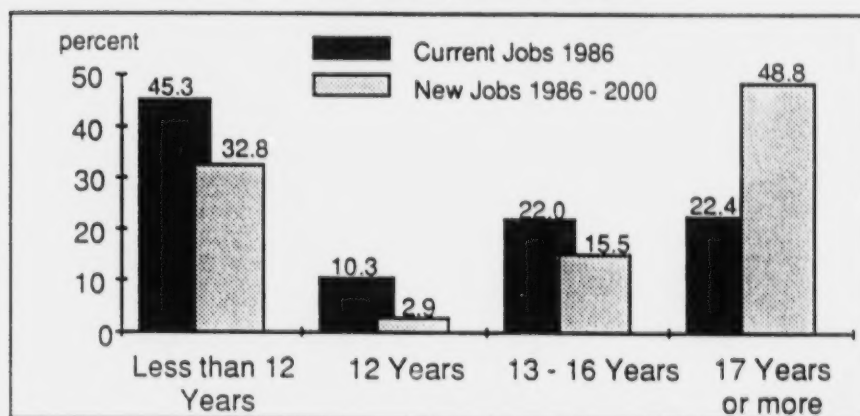
The shift from a resource-based to information-based economy, together with the rapid introduction and expanding use of new technologies in the workplace, is dramatically altering the composition of skills in demand. These changing requirements have significant implications for labour markets, including the need for retraining, upgrading and "multi-skilling," where an individual performs tasks normally associated with a number of different occupations.

Rising Educational and Skill Requirements

Rising educational and skill requirements are a key aspect of future labour demand and indicate the increasing importance of access to recurrent education and training. These requirements are reflected in the demand for a higher level of basic skills which support a more competitive, entrepreneurial approach to work. These basic skills include critical analysis, communication and interpersonal skills, problem solving, "learning how to learn" and adaptability to change.

Employment and Immigration Canada estimates that 64% of new jobs between 1986 and 2000 will require from 13 to 17+ years of education and training compared with only 44% of jobs in 1986. This trend also indicates the significant decline in jobs requiring less than a high school education. Only 36% of new jobs between 1986 and 2000 will require 12 years or less of education and training compared with 56% of jobs in 1986. Although these figures may over-estimate the extent of rising skills requirements, they point to a definite trend in the labour market.

**Rising Education and Skill Requirements:
Current Jobs and New Jobs
Canada, 1986 - 2000**



Source: Employment & Immigration Canada,
"Success in the Works," 1989.

In a rapidly changing information-based economy, Manitoba workers need to update their knowledge and develop new skills on a regular basis. Skills training and recurrent education is a lifelong process. Leading economists, educators, and policy analysts agree on the urgent need for governments to encourage lifelong learning through public policy. As the structure of industry changes, workers' skills and abilities must be developed through retraining and upgrading. The traditional focus on occupational training must also be augmented by a better balance between broad education and job-related skill requirements.

THE MISMATCH BETWEEN LABOUR SUPPLY AND DEMAND

There is growing concern over the mismatch between labour supply and demand. This problem is reflected in the following concerns expressed by Manitoba employers:

- Poor basic skills of workers;
- Persistent skill shortages;
- Lack of qualified skilled labour;
- High rate of illiteracy;
- Co-existence of high unemployment and high job vacancy rates;
- Poor employee attitudes; and
- No effective system of identifying skill requirements as the first step in planning an effective training response.

An example of a "skills gap" is the mismatch between supply and demand in managerial and professional occupations. Between 1981 and 1986 in Manitoba, 78% of employment growth was in this category, but only 15% of the unemployed possessed these skills. This problem can be addressed through improved labour market planning.

The persistence of high unemployment, together with a high job vacancy rate, also suggests problems with the quality of the skills training which takes place. This is reflected in all sectors of the economy. In a 1989 survey of Manitoba members, the Canadian Federation of Independent Business found that 32% of respondents cited a shortage of qualified labour as a serious problem. The quality of training programs can be improved by strengthening linkages with the private sector and ensuring that curriculum more closely reflects industry requirements.

Many workers do not possess the basic education required as a prerequisite to learning new skills. As such, it is imperative that government address the basic education issue for both youth and adults in a comprehensive and coordinated fashion.

Due to increasing global competition, it is becoming more important that the gap between labour supply and demand be narrowed significantly. This can be accomplished by expanding current training efforts, and improving basic education, labour market planning, and training quality. Successfully confronting the challenges of the 1990s will depend upon our ability and willingness to tackle the education and training imperative.

PARTNERS IN SKILLS DEVELOPMENT

Developing labour force skills is a responsibility shared by governments, the private sector, labour, educational institutions, communities and individuals. Improving the competitive ability of the economy will require the concerted efforts of all labour market partners. In order to face the challenges of the 1990s, greater collaboration and cooperation among partners is required to increase the overall commitment to skills training in Manitoba.

For the coming decade, it will be necessary to reconsider the roles and responsibilities of all involved in skills development to ensure that efforts are focused on key priorities, as well as to improve coordination and prevent duplication. Developing creative solutions and increasing commitment to skills training will require new approaches in public policy.

Canada's rate of productivity growth lags behind that of the U.S., West Germany and Japan. Our technology gap and weak investment in work-based training affects productivity levels. Despite proven benefits of training, employer-based training activity is limited. Relative to other jurisdictions, governments in Canada have not used training as a key element of economic policy. Since it will be difficult to match the research and development of the U.S., it is important that education and training become a key public policy issue.

One thing seems clear: countries enjoying growth in productivity recognize the connection between training and economic performance and use it as an instrument of industrial policy. In these countries, there is a permanent infrastructure supporting training activities. There is broad access to training for both individuals and employers, and there is also real co-operation between business, labour, governments, educational institutions, and communities.

JURISDICTIONAL MANDATES

Federal and provincial governments have different jurisdictional mandates with respect to education and the labour market. The federal government is responsible for fostering a strong and dynamic economic environment and for ensuring the efficient functioning of the labour market. Provincial governments are responsible for education at all levels, including the public school system, community colleges, universities, and other public educational institutions. However, the federal government has historically been an important source of funding for post-secondary education through arrangements such as Established Programs Financing and by purchasing training from community colleges.

Increasingly, both levels of government are becoming involved in an overlapping range of labour market issues. With the shift towards lifelong learning in recent years and the increasing importance of education and training as labour market issues, the traditional distinction between mandates is less obvious. For example, federal and provincial governments share responsibility for the provision of training to new entrants and the unemployed, in particular those facing barriers to full participation in the labour market, and for the promotion of employment equity.

THE ROLES OF LABOUR MARKET PARTNERS

In Manitoba, the federal and provincial governments must work together to achieve labour market efficiency in the following ways:

- Develop skills development policies and strategies in collaboration with other labour market partners and allocate the appropriate level of funding;
- Coordinate training efforts to ensure minimal duplication, ensure effective delivery, and accountability for results; and
- Facilitate greater private sector training efforts by acting as a catalyst and information broker.

Each labour market partner has a certain role to play in developing the province's human resources. For example, employers have primary responsibility for training their own workers. Individuals must contribute to the development of their own skills and abilities by demonstrating a commitment to lifelong learning. The following outline indicates the respective roles and responsibilities of labour market partners in developing Manitoba's human resources.

Provincial Government

- Lead responsibility for education and training, including policy, planning, financing (with federal support), delivery, and accountability for results.
- Provide information on public and private training programs and services to businesses and career-related information to individuals.

-
- Interface with the federal government to ensure Manitoba's policies and strategies contribute to the broader Canadian labour market scenario and represent Manitoba's interests in matters of federal funding.
 - Work cooperatively with other provinces to establish national standards for high quality trades training in order to ensure the portability of skilled workers between provinces (i.e., Red Seal Program).

Federal Government

- Lead responsibility for labour market matters, including policy, planning, financing and accountability for results.
- Responsible for providing employment counselling, labour market information, and related services through Canada Employment Centres.
- Responsible for providing income support to unemployed workers referred to employment-related education and training.
- Ensure proper management of the Unemployment Insurance program, including securing advice of employers and workers on how training funds should be utilized.
- Undertake labour market research and a national data base, including information on current and projected occupational demand.
- Facilitate labour adjustment due to industrial restructuring and other influences.

Business and Industry

- Lead responsibility for developing the skills of the existing workforce by providing formal and informal training and career-development opportunities to employees and by conducting human resource planning at the firm level.
- Contribute to skills development policies, strategies and the general climate required to achieve a highly skilled, productive and adaptable Manitoba workforce.
- Participate in labour market planning and industry-wide human resource planning at the local, provincial, and national levels in order to ensure the availability of skilled workers.

-
- Contribute time, skills, knowledge and expertise to entry and re-entry level skills training programs; make other contributions to programs where possible in the form of financial support, use of assets, and providing on-the-job training.
 - Contribute to the skills development of the employment disadvantaged by assisting government in providing appropriate programs.

Communities

- Develop the community's labour force by mobilizing resources and commitment for skills training which is responsive to local priorities and supportive of community economic development.
- Provide access to community facilities for training programs and encourage community members to identify with the aims of skills-development policies and strategies.
- Encourage the development of effective community-based programs by contributing local resources, community interest, knowledge and expertise in shaping skills training initiatives.

Public School Systems - Primary/Secondary (and their independent equivalents)

- Provide quality basic education as the fundamental requirement for all skills development.
- Provide quality academic education and vocational training to prepare students either for post-secondary education and training or for entry-level positions in the labour force.
- Teach students the proper attitudes and work habits to function as productive members of society.
- Provide remedial basic education and entry-level vocational training to adults who did not master these skills earlier in life.

Post-Secondary Institutions - Community Colleges and Universities

- Develop skills training programs of a more highly specialized nature aimed at greater professionalism in carrying out more complex occupations.
- Provide wide-ranging vocational training that finely hones skills of students so that they become quality professionals entering the workforce.
- Provide quality academic education and training to equip students for post-graduate and other professional skills training.
- Provide remedial basic education and upgrading programs to students who require them as a prerequisite to post-secondary studies.
- Provide quality training, retraining and continuing education programs consistent with the principle of lifelong learning and responsive to market demands and individual interests, either sponsored by employers or financed by individuals.

Private Training Institutions/Services

- Develop and deliver skills training programs aimed at particular markets and funded by employers or individuals.
- Provide entry-level training and remedial education programs which offer a viable alternative to public training institutions and promote greater competition within the training industry.

Labour Unions, Industry and Professional Associations, Community and Non-Government Agencies

- Represent and advocate the skills training needs of constituents which reflect an organization's mandate and membership.
- Contribute to labour market and human resources planning to ensure an appropriate supply of skilled labour to meet market requirements while addressing the interests of the membership.
- Contribute to and/or lead the development and delivery of skills training programs to ensure relevant content, high standards, and effective accessibility.

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- Ensure the membership is afforded the opportunity for appropriate skills training through special arrangements with employers and by setting and monitoring professional standards.
 - Contribute to the climate necessary for achieving a highly skilled, productive, and adaptable workforce by emphasizing the importance of skills training and by understanding the role played by other partners in contributing to this goal.

THE PARTNERSHIP APPROACH

Government is organized both politically and administratively on the basis of accountability to the electorate. Actions of government are dominated by the implicit need to appeal to the majority. For this reason, political action and public attention tends to focus on the short term. Frequently this results in government dealing in isolation with symptoms rather than causes of problems.

The primary focus of government attention is on training the unemployed and in providing a sound basic education. Insufficient attention has been directed toward the need to upgrade and modernize skills of the employed. Employers have major responsibility for training employees, especially in firm or industry-specific skills.

For the future, government must facilitate greater participation by all labour market partners, in particular the private sector, in the development of a training culture within Manitoba. Government must take the lead and act as a catalyst to promote increased efforts in developing a skilled and adaptable labour force.

Although government must maintain a strong policy focus, the partnership principle requires that it not act in isolation. In addition to each partner fulfilling its role, there is significant opportunity for greater collaborative efforts in the form of public-private and business-education partnerships. In order for these efforts to develop--and for effective, long-term change to result--three potential impediments must be overcome:

1. the reluctance of business to deal with government;
2. government's failure to involve the private sector in planning and policy development; and

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3. the failure of many businesses to recognize the benefits of training and lack of awareness of the resources available to assist them.

The building of training partnerships is an ongoing process which begins with increased dialogue, consensus and commitment. In order to nurture a training culture, it is necessary to increase public awareness. The nature of the marketplace requires that partnerships reflect the uniqueness of Manitoba's economic and social fabric. Such partnerships will develop a spirit of innovation and teamwork demonstrating that public resources, together with private initiative, can make a difference.

DEVELOPING A PROVINCIAL LABOUR FORCE STRATEGY

Development of a provincial labour force strategy, with a primary emphasis on skills development, will provide the framework for improving labour market policy, planning and coordination. In order to be effective, the strategic framework must take into consideration the roles of the various training partners. Using the framework, government must establish policy directions and priorities that will stimulate an increase in skills training throughout Manitoba.

The implementation of a labour force strategy will require an ongoing planning process which determines specific training needs and priorities at the provincial, local, and industry level. This process must involve both senior levels of government, the private sector (business and labour), educational institutions, and community officials. Training which is supported by government should reflect the outcomes of the planning process.

The coordination of training delivery is yet another area in which government has an important role to play. The reorganization of provincial government departments resulted in the establishment of the Department of Education and Training, which is responsible for most provincial education, training and labour market activities. This should lead to improved coordination within the provincial system. Improvements in delivery coordination are also required between provincial departments, and between levels of government, at both the local and provincial levels.

THE EXISTING TRAINING SYSTEM

There are several observations about the existing training system which suggest improvements are necessary in order to maximize the effectiveness of resources allocated for skills development:

- Training has been used primarily to achieve social policy objectives, with little emphasis on its importance as an economic development policy issue. The primary focus of both levels of government is on training the unemployed and on entry-level training, with limited emphasis on improving the skills of the existing workforce and facilitating a greater private sector role in workplace training;
- The provincial education and training system has a large number of programs and services, but lacks a strategic plan with identified priorities. The current system does not have an accountability framework, including key outcome and performance measurements;
- There is considerable duplication and overlap between levels of government with respect to skills development priorities, and limited information is available to employers on what programs and services are available; and
- Training programs are often complex and inflexible. A recent study by the Canadian Federation of Independent Business found that 50.7% of Manitoba respondents indicated that government regulation and paper burden are serious problems.

Government Expenditures on Training Programs

Federal expenditures in Manitoba on training and other programs under the Canadian Jobs Strategy have declined by 26% over the last five years, from \$86.7 million in 1984/85 to \$64.2 million in 1989/90. Provincial expenditures during the same period declined by 17% from \$113.8 million in 1984/85 to \$93.8 million in 1989/90. In the 1989/90 fiscal year, federal and provincial expenditures on training and other labour market programs in Manitoba, including the community colleges, totalled \$158 million. Although this represents a substantial decrease in funding over the last five years, it remains a large public investment in skills development. It is disturbing, therefore, to note that there is no joint labour force strategy even though both levels of government are in many instances responding to the same issues. There is little coordination between both levels of government to ensure that priorities, policies, and expenditures are rationalized within a common framework.

At the post-secondary level, the federal government shares in the cost of operating the provincial education and training system under the Established Programs Financing arrangement. Major cutbacks in funding over the next two years were announced in the recent federal budget. Similarly, long-standing federal funding of human resource development programs under the Northern Development Agreement, designed primarily for Natives, expired on March 31, 1990. These cutbacks, which come at a time when there is an emerging consensus on the growing importance of education and training, are placing pressure on the provincial government to maintain existing programs through increased expenditures.

The Current Focus of Government Assistance

Both the federal and provincial training systems have increasingly emphasized the social rather than the economic side of training. For example, the primary focus of the federal Canadian Jobs Strategy has been on providing training for the long-term unemployed, the employment-disadvantaged, new entrants and re-entrants so that they can enter the workforce, rather than funding higher-level skills development at community colleges. Although this approach may work when the labour market is expanding rapidly, it fails to devote sufficient priority to building the higher-level skills of new entrants and of the existing workforce, especially in key sectors of the provincial economy.

The priorities of the federal government stand in contrast to the policies of other countries, such as Japan and Germany, where training is seen primarily as part of an economic rather than social strategy. While education and training are often seen as social programs, they are really investments in our economic future. A lack of focus and the imbalance between social and economic objectives should be addressed in the development of a provincial labour force strategy.

FEDERAL LABOUR FORCE DEVELOPMENT STRATEGY

Canada spends a higher proportion of Gross Domestic Product on labour market programs than most industrialized countries, but 75% of expenditures are devoted to passive income maintenance. In order to change this pattern, in April 1989 the federal government announced a new Labour Force Development Strategy. This initiative will increase funding for training and employment programs by \$775 million beginning in 1990 while reducing expenditures on income maintenance through changes in eligibility criteria under the Unemployment Insurance Program. Manitoba's share of the funding is expected to be approximately \$32 million. The stated objective of the Strategy is to double the private sector's contribution to training over the next five years.

The Strategy is comprised of a number of elements including the following:

- Training for Unemployment Insurance recipients,
- Human resource planning and training,
- Entry level skills development,
- Help for displaced and older workers,
- Self-employment and mobility incentives,
- Additional funding for business development (ie. Community Futures),
- Additional funds for adjustment due to plant closures and technological change (i.e., Industrial Adjustment Service).

The Strategy was announced without consultation and appears to target funds for specific activities in the absence of an overall policy framework. Curiously, the existing Canadian Jobs Strategy, with current expenditures in Manitoba of \$63 million, was not first evaluated and then integrated with the new Strategy.

The Canadian Labour Market and Productivity Centre recently conducted a series of private sector (business/labour/community) consultations on the new Strategy on behalf of the federal government through the establishment of six task forces. Of particular concern is the fact that the task force on human resource planning and training was unable to come to agreement on how to bring about greater private sector training efforts. In light of this experience, it is essential that the provincial and federal governments coordinate their efforts to promote human resource planning and training by the private sector.

Unemployment Insurance premiums contributed by employers and workers provide the funds for the new Strategy. Given this fact, employers and workers should play a significant role in determining priorities. The task forces recommended specific local, provincial, and national advisory structures to serve this function. When implemented, there should be strong business and industry representation on these structures, including small business, and they should report to both levels of government.

DEVELOPING A NEW POLICY FRAMEWORK

By any measure there is a need for major reform of our training system. We must recognize the need for a skilled labour force, and the central importance of linking skills development with economic development plans. In establishing a new policy framework a number of principles should guide our approach:

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- The development of skills training policies is a responsibility shared by all labour market partners and must be addressed at the national, provincial, industry, and local levels;
 - Training and vocational education must be designed to contribute to business success and economic growth. A complete practical definition of employment-related training must cover both formal and informal methods of developing occupational skills, including informal on-the-job training. It must be recognized that training is not confined to government-sponsored programs and does not always take place within a formalized setting;
 - Employers and individuals must accept a greater share of responsibility for training and its costs. Employers are responsible for training and upgrading their employees in work-related skills. Individuals are responsible for developing their skills and abilities through a commitment to lifelong learning and continuing education;
 - Government must take the lead role in establishing the policy framework, paying particular attention to its responsibility for ensuring the efficient functioning of the labour market by:
 - working to ensure a better match between labour supply and demand and by serving as an information broker;
 - providing training for new entrants and re-entrants to the labour force,
 - providing training for the unemployed, particularly those facing barriers to full participation in the labour market;
 - maintaining the public educational infrastructure and recognizing the important role played by private educational institutions and suppliers of quality training; and
 - facilitating greater involvement by the private sector, communities and other partners;
 - Responsibility for delivery of training must, as far as possible, be granted to local areas where private and public investment can be brought together to meet the skill needs of business and individuals. The private sector, individuals, and local communities must be able to shape arrangements, programs, and opportunities to changing circumstances; and
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- Training programs must be simple, flexible, and accessible, applying a results-oriented approach. Funding decisions must be based upon demonstrated need, achievement of long-term results, with due consideration given to regular evaluation of programs for effectiveness and efficiency.

The government's aim must be to promote, in partnership with the private sector, the establishment of such a training system. The goal must be to facilitate access to relevant training and vocational education throughout the working life.

Developing the policy framework for a labour force strategy, must involve both levels of government and take into account market needs and the roles of the various training partners. The policy framework should identify the major priorities and their respective importance. In addition, there must be a rationalization of mandates between levels of government to avoid duplication except in those instances where joint efforts are required.

The policy framework must establish the appropriate balance between economic and social objectives and be consistent with the province's economic plan and science and technology strategy. The educational infrastructure--public schools, community colleges, and universities--requires special attention since, regardless of funding arrangements, this remains a provincial responsibility.

The government's role in achieving more effective skills training does not demand additional funding but rather a more focused allocation of existing funds. This will require time and energy to determine accurately the skills training needs of business and industry and to ensure that public and private training institutions develop the programs to meet these needs.

LABOUR MARKET PLANNING

Once the policy framework has been established, a continuous planning process is required in order to identify local, sectoral, and provincial labour market needs before skill shortages have developed. Planning must provide methods to determine current and anticipated needs of the labour market in a timely fashion so that training programs can be put into place before skill shortages have developed.

The partnership approach requires the active involvement of all partners in the planning process, including both the preparation and execution of the plan, followed by the determination of funding priorities. Planning should be a continuous process including an annual update completed in time for funding decisions to be made. Under this approach, emerging changes in demographics and broad labour market demands can be identified

and necessary action taken. The Committee recommends advisory structures be established to facilitate labour market planning and the development of training partnerships at both the local and provincial levels.

Community Training Committees

The private sector and other training partners have significant responsibilities in the labour market and must play an increasing role in partnership with government in assessing labour market needs and for ensuring that those needs are met. A key requirement is that the delivery of training, and its links with small firms and enterprise, must relate closely to the circumstances of each local area. By tailoring approaches to their own circumstances, local communities are more likely to find solutions that work. Moreover, it is at the local level where individuals and institutions most directly share a sense of community and can best shape a common purpose.

The establishment of Community Training Committees, involving the private sector, labour, community organizations, and public and private educational institutions, would provide a means by which to foster greater collaborative efforts in identifying and responding to local labour market needs, including specific skills training priorities. The provincial government should consider a joint effort with the federal government to establish Community Training Committees.

Potential areas of responsibility for the Community Training Committees include the following:

- Identifying priorities for labour force development activities;
- Promoting human resource planning and training in the private sector;
- Providing advice on the quality, effectiveness, and relevance of available training;
- Promoting the development of business-education partnerships to respond to market-driven training requirements; and
- Fostering a training culture and lifelong learning within the community.

Community Training Committees jointly appointed by both levels of government would conduct an annual training needs identification process. Within a geographic area, these committees would serve as a means of bringing together labour market partners to assess ongoing training requirements and to promote increased commitment to and collaboration in skills development. Local planning systems are more attuned to the shifting pattern of employer needs and individual requirements. It is at the local level that jobs and the need for particular skills arise. It is at the local level that people live and work and wish to be trained for new or changing jobs.

Before a partnership can begin to change policies or introduce new ideas into a community, there must be an assessment of the labour market. This will help identify opportunity for growth and the skills that must be developed to meet current and future employer demands. It allows each community to develop a vision stretching beyond existing programs, organizations, and methods of delivery.

The capacity to meet the competitive challenge of the 1990s will require leadership, partnership, vision and organization. The local approach facilitates linking skills development with community-based economic development. A key requirement is that the delivery of training, and its links with small firms and enterprise, must relate closely to the circumstances of each local area. As a result, the committees will differ somewhat depending upon their location. For example, a rural committee might have a particular focus on entrepreneurial training and on skills upgrading of farmers due to technological change.

Manitoba Skills Institute

Consistent with the partnership principle, a provincial structure is required to ensure that the provincial labour force strategy is addressing the needs of the labour market and to promote the development of a training culture within Manitoba. Whereas the Community Training Committees would help shape provincial policies and programs to meet community priorities, the establishment of a Manitoba Skills Institute would serve an important public policy role at the provincial level.

The Institute would be an arms-length labour market policy and research forum comprised of informed private sector, labour, community and education representatives and would include a director and small research staff. The Institute should also include some representation from the Community Training Committees.

The purpose of the Institute would be to advise government on significant education and training issues which impact on the labour market. It would be mandated to undertake a number of activities, such as:

- Assess the effectiveness of the provincial labour force strategy and identify emerging needs, trends, and priorities;
- Conduct research, labour market analysis, and develop recommendations for provincial labour market policy;
- Promote business-education partnerships and joint ventures;
- Stimulate investment in specialized training materials and technologies for work-based training;

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- Evaluate training programs, services, and educational infrastructure;
 - Provide information to business and industry on available training courses, materials and resources through a computerized database or "Skills Bank," preferably linked to a national network (e.g., Ontario Training Corporation); and
 - Foster a training culture and industry in Manitoba by encouraging additional training efforts on the part of the private sector and other partners.

The Institute's province-wide focus would allow it to serve as an important resource to both levels of government in developing and implementing appropriate labour force strategies. It would also play an integral role in increasing public and business awareness of skills training issues and of the importance of human resource development to improving Manitoba's competitive position.

COORDINATION

There is a need for improved coordination of training programs and services within government at all levels in order to ensure the effective use of limited resources. Greater coordination is required not only within and among provincial departments, but also between levels of government.

While the 1989 reorganization of provincial government departments has resulted in improvements in planning and coordination, additional effort is necessary. The Department of Education and Training should assume overall responsibility for coordination of provincial training programs and services, including all relevant departments such as Labour, Family Services, Agriculture, and Industry, Trade and Tourism. Further reorganization of provincial departments may also be warranted to realign all mainstream labour market programs within a single department.

Greater coordination and integration is also required within the Department of Education and Training, especially with respect to programs and services for youth. For example, the high school system has not traditionally been viewed from a labour market policy perspective. However, it is becoming increasingly apparent that the public school system serves an important role with respect to addressing labour market needs. Efforts for in-school youth at the high school and post-secondary levels should also be coordinated with programs to assist out-of-school youth in making the transition from school to work.

BUILDING THE FOUNDATIONS: THE ROLE OF THE PUBLIC SCHOOL SYSTEM

Whatever skills training strategy is ultimately adopted, it must provide specific measures directed to the youth of this province. Within this context, there must be rethinking of the role played by the public school system.

The Committee's initial approach was to avoid the public school issue since there had been a previous report in 1988 and the structure of the Committee did not include representatives of the public school system. However, as our deliberations progressed it became apparent that comment was warranted in light of some disturbing statistics:

1. On a national basis, it is estimated that over 30% of high school students--and a much higher percentage of Native students--drop out prior to completion;
2. Three out of four high school students do not go on to any formal post-secondary education and enter the labour force with limited vocational skills and little understanding of the workplace;
3. Many students exiting the school system have inadequate foundation skills and are frequently unable to function productively in the workplace; and
4. It is estimated that one out of five Manitobans is functionally illiterate.

EDUCATIONAL EXPENDITURES VERSUS RESULTS

As a proportion of Gross National Product, Canada has much higher public expenditures on all levels of education than most other developed countries, 7.4% compared to an international average of 5.8%. This higher expenditure--especially in the public school system--does not necessarily translate into better educational outcomes. More than 22% of Canadians over 15 years of age who are not currently enrolled in school are functionally illiterate. Thirty-one percent of Canadian students leave secondary school without a diploma, compared to 14% in Germany. Only 72% of Canadians at age 17 are still enrolled in some form of formal education or apprenticeship, compared to 94% in Japan and 89% in Germany. Ways must be found to improve the cost-effectiveness of the public school system.

BASIC SKILLS AND VOCATIONAL PREPARATION

The Committee's concerns are not unique. Employers in many countries have made similar criticisms of the schools, including lack of connection of school curricula with the world of work, the preoccupation with academic study while providing inadequate basic skills training, and the consequent unpreparedness of school leavers for the world of work. Recommendations for change in other countries are similar to our own, namely: a more practical curriculum, greater appreciation of the world of work, and more efficient management of schools. The agenda for change includes the following elements:

- The integration of training with foundation studies;
- The extension of the full scheme of vocational education to a larger number of students;
- The provision of vocational training at both schools and workplaces;
- Regular inclusion of general subjects for all students; and
- Increased cooperation between schools and employers.

With high costs and inadequate results, it is fair to say that the existing education/training system has not and cannot meet the skill demands of the 1990s. Dramatic alternatives have to be planned now, including a return to basic skills and accountability for results.

The improvement of basic skills is critical to the overall function of the labour market and the quality of available recruits. However, existing vocational programs must also be strengthened and made available to a larger number of students.

Foundation Skills

Although it is difficult to predict specific skill requirements, the general direction is clear: the workplace of the 1990s and beyond will demand more highly skilled workers. Greater analytical and communication skills will be needed. By the year 2000, Employment and Immigration Canada estimates that almost half of all new jobs will require at least five years of education and training beyond high school completion. Above all, the workplace will demand people who are adaptive learners.

Workers must be prepared to adjust skill levels and acquire related skills on an ongoing basis. Due to uncertainty about future requirements for specific skills and the increasing importance of workplace-centred learning, there is growing demand that the educational system place greater emphasis on foundation skills.

The ability to function productively in what has become known as the "information age" requires that all students achieve a broader range of basic skills including:

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- Functional literacy (e.g., reading and writing),
 - Technological literacy (e.g., mathematics and science),
 - Analytical problem-solving skills, and
 - Interpersonal and communication skills.

While there is merit in a school system which provides students with an extensive "menu" of learning choices, it is imperative that the foundation skills be mandatory. In addition, the process would be strengthened if there was standardized testing on a province-wide basis to determine effectiveness of the program.

Vocational Education

Approximately 75% of secondary school students require vocational training opportunities since they will not attend university or college. At present, most students do not receive generic vocational training. As a result, a majority of our youth enter the labour force with few marketable skills.

This represents a misallocation of current resources, and an ongoing cost to the individual and the economy. It is wasteful to the economy and tragic for the students who, after completing secondary school, directly enter the workforce without skills or must be re-cycled through the training system in order to obtain generic vocational skills.

Vocational programs should not be used as a means of streaming "poor" achievers. The high school curriculum should be structured so that students can combine academic preparation with vocational training. Greater flexibility is required and a wider range of joint efforts with the private sector, including expanding cooperative education, internship programs, on-the-job training, industry-driven pre-apprenticeship training, and high school apprenticeship programs.

LOCAL BUSINESS-EDUCATION PARTNERSHIPS

The private sector can make an important contribution to improving educational outcomes, especially for disadvantaged students, through the establishment of local partnerships. Such partnerships have been successful in other jurisdictions as a means to improve high school graduation rates and the vocational skills of the youth labour force.

Successful partnership efforts have been established in various North American cities--including Saskatoon, Calgary, and Vancouver--focusing on three major categories which represent effective investment strategies for improving the performance of the educationally disadvantaged: prevention through early intervention, restructuring of basic schooling, and targeted programs for retention and re-entry.

One of the earliest examples, The Boston Compact, is an agreement among business, education, and community leaders to improve educational performance and reduce the dropout rate in exchange for jobs in the private sector. Since implementation of the Compact, public school attendance has improved significantly, as have reading and math scores, and a competency-based graduation requirement in reading has been established. Although not all of these programs have been successful, the model merits careful consideration as a means of reducing the dropout rate and of improving basic skill levels.

The private sector can also intensify its involvement with high schools through summer job programs, cooperative education, mentoring programs, vocational education, and job placement programs. The establishment of business-school partnerships should be encouraged in Manitoba. For example, "adopt a school" programs could be established in which local businesses provide employment opportunities for students in exchange for a commitment to stay in school and improve basic skills.

CAREER PLANNING

The majority of high school students do not receive adequate vocational counselling and career-planning support. Parents and teachers must also be involved in the career-planning process so that they understand the changing nature and occupational structure of the labour market. Students require an understanding of how the labour market and workplace function in order to develop an appreciation of the "real" world, including the importance of a positive attitude and proper values in carrying out work responsibilities. Business and industry need to work closely with schools in promoting career opportunities.

An introduction to these issues can take place in a group setting. Greater use of the following activities would benefit students in developing awareness of the labour market:

- Career symposia involving the private sector;
- Meetings with representatives of industry and professional associations, colleges, universities, and other training institutions; and

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- Business experience through summer and part-time employment and cooperative work-study programs.

RATIONALIZATION OF MANDATES

Present funding mechanisms have enabled school divisions to increase their share of total spending on education and training. The ability to raise capital funds allows high schools to offer more sophisticated training in an increasing number of areas. School divisions should be encouraged to share facilities and resources with other training providers.

As a result of provincial educational financing arrangements, Manitoba's technical and vocational schools represent one of the major opportunities to enhance technical and skills training at minimum additional cost. Manitoba's vocational facilities, while among the finest in Canada, remain under-utilized. The basic resources are in place. What is needed is a clear policy relative to the role that these institutions must play.

The broad regional network of facilities afforded by high schools, coupled with changing local and regional education and training needs, call for an expansion of the role of the public schools. School divisions should be given the mandate to provide basic education and vocational training, as well as apprenticeship training where appropriate.

ARTICULATION AND COORDINATION

Public schools, community colleges and universities are responsible for ensuring that their activities are fully articulated with those of other public learning institutions at every level. It is imperative that the government develop a policy which facilitates movement from secondary school to community college and apprenticeship programs with appropriate credit granted for prior training. This is a critical concern in pre-apprenticeship and apprenticeship programs.

At the present time, there is an unacceptable level of duplication in areas of facilities and curriculum. There is a tendency towards competition rather than cooperation between colleges, secondary schools, private trade schools and government agencies which negatively impact the skilled trades.

The secondary school system in Manitoba must play an important role in the technical skills training plan. A coordinated training model involving secondary schools would prove more effective and less costly than the current structure.

ACCOUNTABILITY

The public school system is a central resource for the development of basic skills and vocational training. Its mandate should be broadened to include adult basic education, literacy training, and entry-level vocational training within existing resources.

Clear policy direction must be given in order to achieve the following objectives:

1. Improve basic skill levels for all students;
2. Enhance the quality and expand the use of vocational programs to ensure that a much larger number of students acquire generic vocational skills;
3. Reduce the high school dropout rate; and
4. Expand return-to-school programs for youth and adults on both a full-time and part-time basis.

The government should develop an accountability framework to assess results. The framework should include standardized measurements of academic achievement and the drop-out rate which can be used to compare results between schools and local school divisions. Manitobans need to know how students are performing on standardized tests in reading, writing, mathematics and science in comparison with other provinces and countries. Standards for student achievement have not been established for the public school system. The time has come to consider a process of accountability.

The private sector can play an important role in ensuring that the vocational curriculum is appropriate and in providing students with work experience. The private sector can demonstrate leadership through the establishment of joint business-education partnerships. It is the public school system which in the final analysis must take the initiative to ensure that graduates are provided with basic knowledge and vocational skills.

NEW DIRECTIONS - MANITOBA'S COMMUNITY COLLEGES

By comparison with other provinces, the community college system in Manitoba is not large. Three colleges, Red River in Winnipeg, Assiniboine in Brandon, and Keewatin in The Pas, and two technical centres, Manitoba Technical Training Centre and Stevenson Aviation and Technical Training Centre, represent a limited system by contemporary Canadian standards. In the past this has contributed to making the system cost-effective, if limited in curriculum scope. Manitoba's colleges remain creatures of the provincial government and lack autonomy or community control.

THE CHANGING COLLEGE ENVIRONMENT

The 1980s have been a period of transition and adjustment for community colleges. Changes in technology, client demographics, and labour market policy, coupled with the impacts of globalization and fiscal restraint, have had an effect on the traditional pattern of demands for programs and services.

For example, the student population is older. Only 10% of full-time enrolments at Red River Community College enter directly from high school, and the average student age is now nearing 30. As a result, colleges must broaden their focus to include training of new labour force entrants and skills upgrading and retraining of the existing workforce through continuing education activities. Better jobs will require advanced education and training at the entry level and will demand continuing upgrading throughout the life of the employee.

In addition to responding to the needs of adult learners, colleges must be able to address other elements of a changing student population including:

- The increasing number of women and employment-disadvantaged seeking training;
- The unique needs of Natives, rural and northern Manitobans;
- Language, literacy, and remedial basic education training required as a prerequisite to skills training activities; and
- Providing recognition for prior learning and work experience.

These changes are demanding greater flexibility and responsiveness from the institutions and a greater degree of innovation. There is a need to determine the role of the community college in today's society. At present, the community college mandate is so wide that the institutions lack strategic focus.

Three issues must be resolved if community colleges are to establish appropriate policy for the coming decade:

1. Mandate and size;
2. Approaches to training; and
3. College governance.

MANDATE AND SIZE

Manitoba's community colleges are confronted with competing demands to develop in different directions. For example, should the institutions:

- Evolve as comprehensive, geographically based institutions;
- Become vocational institutions for post-secondary youth;
- Become re-training institutions, and in many cases this will involve remedial basic education;
- Specialize in various disciplines and areas; or
- Become centres for lifelong learning?

Two considerations predominate. Colleges must attract a larger share of high school graduates into diploma and certificate courses due to the current low number of sequential students. In addition, the institutions must develop as centres of lifelong learning. An aging workforce will require retraining in order to adapt to technological change and industrial restructuring.

The Size of the College System

The level of institutional training in Manitoba has been relatively constant for many years. The major factor was the minimal increase in full-time enrolments resulting from restraints in operating budgets. There has been little change in the number of full-time student enrolments, a drop in adult basic education, and an increase in part-time, evening extension and continuing education enrolments.

Canada-wide surveys of enrolments show that Manitoba puts a small proportion of "traditional" college-age students into post-secondary occupational training compared with other provinces. The Statistics Canada survey, *Education in Canada*, indicates that among English-speaking provinces, where community colleges provide one post-secondary route and universities another, there are two distinct classes of community college systems. The strong systems included Ontario with 16.8% of the 18-21 year age group enrolled in community college; Alberta with 15.8%; and British Columbia with 15%. In Manitoba, 5.8% of the 18-21 age group were attending community college.

On the other hand, university enrolments in Manitoba compare favourably with other provinces. Overall, however, Manitoba has lower levels of post-secondary education than many other provinces. For the 18-21 year age group, the proportion involved in post-secondary education in Canada rose to 27.3% in 1987-88 from 23.3% five years earlier. Manitoba was educating only 18.7% of the 18-21 year age group, up from only 18% five years earlier. This is a tragic waste of human talent when there is increasing demand in the labour market for workers with higher skill levels.

Looking at the wide range of statistics on college expenditures, Manitoba ranks in the bottom half. There are two disturbing indicators. In 1986, Manitoba ranked eighth in community college expenditures on a labour force per capita basis and was last in expenditures as a percentage of provincial gross domestic product.

Past surveys of Manitoba high school students have indicated that the demand for community college training is comparable to that for university education. However, enrolments in the colleges have been constrained. In Manitoba, we must provide an opportunity for increased numbers of students to access the community college system. This is of particular importance to those young people exiting the secondary school system.

Improving Rural and Northern Access

Most rural and northern communities in Manitoba are at a disadvantage in gaining access to community college education and training. This inequity must be addressed for promoting rural and northern development.

The community colleges must strengthen their presence in communities which are without a college campus or which have low levels of training activity. Cost considerations may make it impossible to expand the number of community colleges. However, the need for reasonable access to community-based education and training remains. Human resource development is critical to the community development process. The role of the community colleges in rural and northern communities can be strengthened through training partnerships which respond to local needs and priorities.

In support of this program, consideration should be given to:

1. Expanding the existing network of community college regional centres;
2. Furthering the development of the community-based education and training model, including the allocation of resources tied to measurable objectives;
3. Enhancing the Distance Education and Technology network; and
4. Utilizing available facilities at the local level, especially regional and vocational schools, for delivering college programming.

THE IMPACT OF NEW TECHNOLOGY

Although technological change is inevitable in industrial economies, the magnitude of the current dislocation results from the pervasiveness of the innovation under way. Of critical significance is the availability of a labour force with the appropriate mix of skills. This requires an adjustment in skill profiles towards higher and broader levels and for greater flexibility in the deployment of skills.

Workers must be prepared to adjust skill levels and acquire related skills on an ongoing basis. Due to considerable uncertainty about future requirements for specific skills and the increasing importance of workplace-centred learning, there is growing consensus that the educational system should place greater emphasis on the transmission of four fundamental skills:

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- Analytical problem-solving skills,
 - Functional literacy,
 - Technological literacy, and
 - Interpersonal and communications skills.

Many workers lack the higher level of basic skills required to function productively in the workplace. Special consideration should be given to developing higher level fundamental skills through community college curriculum and training.

At present, the community colleges have limited funds for capital acquisition. Additional funds may be required in certain areas. It is difficult for these institutions to remain current in key areas of technology. At the same time, the private sector has available state-of-the-art equipment. One alternative is for the private sector to assist by providing access to equipment through work-based and cooperative programs. The private sector also donates equipment to the colleges, and this practice should be expanded. In this context, the colleges should also be able to utilize the up-to-date vocational facilities of the public school system.

APPROACHES TO TRAINING

The community colleges deliver a wide range of skills development programs using a variety of approaches, such as:

1. Full-time occupational, vocational, and technological programs designed for unemployed workers, usually lasting one or two academic years;
2. Extension courses offered on a part-time, evening or weekend basis, usually without credit, designed primarily for employed workers; and
3. "Market-driven" training, comprised of contract training for the private sector, often funded through the Canadian Jobs Strategy, and community-based programs for the educationally disadvantaged.

Full-Time Programs

In terms of expenditures and status, full-time programs providing training in specific occupational, vocational, and technological areas continue to be the primary focus of the community college system. The main source of input from the private sector with respect to curriculum is made through a wide range of Course Advisory Committees.

There have been criticisms regarding the limited effectiveness of these committees, the most common one being that they are either inactive or meet too infrequently. Other comments received indicate that while committees do meet, their recommendations are not acted upon in a timely fashion.

Encouraging advances have been made in recent years which take a more innovative approach to curriculum design. Traditional course formats are being replaced by different approaches, including: modular training, competency-based and individual competency-based training, cooperative education programs, and programs which give recognition for experiential learning gained outside of a traditional academic setting. Additional movement toward competency-based formats is required given the high percentage of students in Manitoba's community colleges who are over the age of 25. This will require an initial investment of funds for curriculum development.

Beginning next year, additional training funds are expected to be available for Unemployment Insurance recipients under the new Federal Labour Force Development Strategy. It is expected that a substantial amount of this funding will be made available for community college training. It is important that the colleges demonstrate greater flexibility with respect to training duration and curriculum.

Relative to full-time programs, the Committee recommends:

1. Course Advisory Committees should meet on a regular basis with curriculum review taking place every three years, and that recommendations should be acted upon in a timely manner;
2. Manitoba should make additional investments in curriculum development, especially using competency-based and cooperative education models; and
3. The community colleges should develop a number of short-duration training programs (e.g., 2-4 months) to upgrade the skills of unemployed workers in occupational areas impacted by technology.

Extension Programs

There is significant opportunity for expansion of extension programs which should be given priority consideration. Extension programs provide a major source of training opportunity to currently employed workers. Most importantly, Extension Programs embody the principle of lifelong learning.

The cost of extension programs is relatively low since they generate revenue and do not require income support for trainees. Extension programs should not be limited to short-term non-credit courses, but provide training which can lead to a diploma or certificate.

Concern has been expressed about the limited opportunities provided the working poor, especially women, to improve their situation through skills development. Extension programs can provide a way for individuals employed in low-paying, dead-end jobs to seek promotion. Extension programs can assist individuals to upgrade their skills and advance career opportunities. Government should support the development of pilot programs designed for the working poor. These trainees may require additional support (i.e., child care, tuition assistance) so that they are able to take training while remaining employed.

"Market-Driven" Training

Since 1987, Manitoba's community colleges have been involved in delivering market-driven training to the private sector and non-government organizations. The initial decision to develop such programs was in response to the shift in federal funding priorities away from direct purchase of places for unemployed Manitobans in community colleges. The benefits to institutions, learners, and the private sector from such programs can be substantial, but require special efforts based on the identification of particular employer and client needs.

In order to improve their ability to develop this market, the colleges need to respond quickly, identify the products required and the specific needs of the client. This can be achieved if colleges:

- Take a more entrepreneurial approach to the marketplace;
- Improve capacity to develop tailor-made programs;
- Build stronger links with business and industry; and
- Utilize more innovative delivery methods, including short-term programs in the workplace.

The government should allow institutions to retain revenue from market-driven training to reward innovation and enterprise.

BOARD GOVERNANCE

Provinces have responded to these changing patterns of demand on the non-university post-secondary education and training sectors with a series of measures aimed at:

- Increasing the adaptability and operational flexibility of institutions to respond to changing market demands. This includes greater flexibility in the areas of academics and program delivery, finance, and institutional identity;
- Providing greater incentives for performance, including efficiency, self-sufficiency and program effectiveness;
- Increasing or enhancing accountability to government and the public, including the requirement that programs be relevant, effective and accessible.

The most appropriate and effective means of achieving improved flexibility, responsiveness, and effectiveness is to provide the community colleges with a greater degree of autonomy by adopting board governance. This recommendation is not new. The last major review of the community college system in Manitoba was undertaken in 1983 by the Task Force on Post-Secondary Education. That report indicated:

.... Rigidity appears to be a key characteristic of all aspects of the community college; the theme running through our recommendations is the need for greater flexibility in all facets of the operation of the colleges.

The 1983 report recommended that colleges be given "a greater degree of institutional autonomy" through the establishment of governing boards for each of the three community colleges. The intention was to create a system of internal governance that was open, accessible, and accountable to community and client needs. In this way the colleges would be better able to take on a differentiated, public role as full participants in the increasingly complex post-secondary education and skills development fields.

Manitoba's community colleges and technical centres can provide the basis for a powerful competitive advantage. To realize their potential, greater autonomy is essential, along with stronger ties to business and the community. Colleges have limited freedom to make decisions and set policies. Centralized control inhibits responsiveness and reduces accountability. High turnover of senior administrators--to a large extent out of frustration with the existing system--impairs the ability to carry through an agenda of change. As well, the inability to retain earned revenue has removed any financial incentive to provide innovative programming and services which capture available market opportunities.

Underlying the issue of college governance are the basic tenets of real change: decentralized delivery and decision making, coupled with greater community and private sector participation; in short, a system which reflects shared ownership, responsibility and accountability for results. Manitoba's community colleges will be more responsive to the needs of learners, communities and the private sector when they become institutions shaped by the communities they serve.

No single issue is more critical to improving institutional flexibility and responsiveness than college governance. The decision to provide greater college autonomy through an arms-length governance model will be welcomed by Manitoba business and industry. The Committee is encouraged that the Minister of Education and Training has established a separate process to investigate specific options for college governance. While the move towards autonomy provides no "guarantee" of improving the effectiveness of the institutions, it does serve as the prerequisite for carrying out significant long-term change using the partnership approach.

COLLEGES AND EXCELLENCE

A commitment to excellence requires each community college to develop a strategic focus for its collaborative efforts with government, communities, learners, and the private sector. This involves the identification of areas of specialization which reflect the social and economic realities of the different regions within Manitoba.

To some extent, this is already visible. For example, Red River Community College takes the lead in technology, including advanced technology training and linkages with applied research and development. Assiniboine Community College has developed innovative training programs for agricultural producers and rural small businesses. Keewatin Community College is developing a strong relationship with northern heavy industry and a community-based approach to training Natives in northern communities. This process allows the colleges to develop specific goals that reflect the needs of the communities they serve and should be encouraged and supported by government.

Manitoba's community colleges play a key role in developing the province's human resources and economy. The province's ability to compete in the coming decade will in part depend upon the resources allocated by government to the development of strong community colleges which are able to determine their own directions in response to the needs and priorities of the communities they serve. By establishing college board governance and stronger linkages with business and industry, Manitoba's community colleges will be able to provide the educational leadership and skilled workers required for the province's future.

FACILITATING HUMAN RESOURCE PLANNING AND TRAINING

Government can play an important role as a catalyst to facilitate additional training effort by the private sector in order to improve the skills of the existing workforce. The private sector has been criticized for not devoting sufficient resources to human resource planning and training. However, it is also true that government has not played an active role in encouraging and supporting training in the workplace.

Studies conducted by Statistics Canada indicate that the private sector in Canada invests far less on training than in the United States and other industrialized nations. Canadian employers spend \$1.4 billion on training, less than 0.3% of Canada's Gross Domestic Product and less than one-half of what American employers spend on a per employee basis. Statistics Canada, in its *1987 Survey of Human Resource Development and Training*, found that 75% of the firms surveyed do not provide any formal training to employees. This suggests that many employers do not yet view training as an investment which leads to higher productivity and enhances competitive ability.

In Canada, several general observations can be made about the training efforts of the private sector:

- Formal training is being carried out primarily by employers in selected industry sectors;
- Most employers conduct informal on-the-job training;
- Training-intensive companies are often high performers in their industries;
- Industry invests a major portion of its training effort in building the basic skills which workers lack due to deficiencies in the public education system;
- Business and industry have little knowledge of--or reliance on--government training programs. Many companies have not viewed government as a partner in training.

Further expanding the base of employers who provide formal training will require special effort by government, educational institutions, and the private sector. Reinforcement of private sector training should encompass three separate components:

- An approach, in cooperation with the federal government, which focuses on specific industries and sectors of the economy, especially in sectors which are important to the province's ability to compete in external markets;
- A regionally based training advisory service, especially for small and medium-sized businesses, to facilitate work-based training and offset instructional and development costs;
- A brokerage function which provides up-to-date information on available programs and services, as well as information on what training is available from both public and private suppliers.

FOCUSING ON KEY SECTORS AND INDUSTRIES

A major problem of government labour market policy is a diffused focus which dilutes the impact of limited resources. It is necessary to focus on those areas in which maximum benefits can be achieved, especially in sectors of the economy such as manufacturing.

In a recent survey conducted by the Canadian Manufacturers' Association, a high percentage of respondents favoured joint government-industry approaches to tackle four important issues:

1. The problem of new skilled-trades shortages;
2. The costs of training new skilled-trades people;
3. Organizing and conducting training of new trades people; and
4. Upgrading the skills of the existing workforce.

Human resource planning can be facilitated through government-industry agreements to determine skill requirements and the impact of technology within specific industrial sectors. At present, industrial adjustment agreements are primarily used to facilitate the process of labour adjustment when plant closures and lay-offs are announced. They should also be applied to "upside" opportunities. In Manitoba, this approach has been piloted with the trucking industry in training additional transport drivers in response to the current shortage.

Human resource planning agreements should be under the control of the industry in question, but supported by both levels of government. When industry-wide studies are conducted in key sectors, it is important that government follow through by arranging the necessary training, making changes to existing programs, and by providing financial support to address identified needs. Recent joint efforts in the metal fabrication industry and by the Northern Industrial Training Group have identified key requirements which have not yet been addressed jointly by government, educational institutions, and industry.

The identification of priority sectors should be done in consultation with industry organizations and in conjunction with Manitoba Industry, Trade and Tourism and Employment and Immigration Canada. In using a focused approach, one important consideration in selecting priority industries and sectors is how they fit into the provincial economic and science and technology strategies.

Several industries which could be considered for industry-driven human resource planning agreements are as follows:

- Aerospace
- Metal fabrication
- Northern heavy industry (i.e., mining, pulp and paper, forestry, hydro)
- Farm machinery production
- Furniture/millwork
- Health industries
- Advanced technologies
- Agriculture and rural development.

TRAINING ADVISORY SERVICE

Government has an important role to play in facilitating human resource planning and training by small and medium businesses. To train successfully, a firm must be aware of its human resource needs and able to implement training strategies.

The private sector does carry out informal on-the-job training. The Canadian Federation of Independent Business, in a survey of its small business members, found that approximately 80% conduct informal training. Government can assist small businesses in developing formal in-house training programs and by arranging for the delivery of short-term training courses which respond to the common needs of employers.

A regionally based training advisory service would assist employers in identifying training needs and in designing the appropriate training response either on-site or within the local community. To ensure that the advisory service is market-driven, it is essential that Community Training Committees have a major role to play in determining local priorities.

The Training Advisory Service would support the training needs of local businesses. In general the focus would be on providing free advisory services and in off-setting instructional costs, rather than using wage subsidies. Training could be provided by both public and private suppliers in the most cost-effective manner, although it is expected that community colleges would play an important role.

The advisory service would facilitate work-based training and would greatly assist medium-sized businesses which have the critical mass for developing human resource planning and training strategies. Responding to the needs of small businesses with fewer than twenty employees, where formal training and human resource planning occur less frequently, could be addressed by arranging training programs which respond to the common requirements of groups of employers.

In Manitoba, a number of employers support skill development. However, the diversification of enterprise and the small number of employees per firm make the task difficult. A possible solution is for firms to work together in pooling training efforts and resources. This will require significant commitment of governments, educational institutions, and employers in furthering the development of a training culture within the province. The focal point at the local level would be the Community Training Committee.

The range of employer services provided to business and industry would include the following elements:

1. *Training Advisory Service*

Provision of regionally based training advisory service, primarily to small and medium-sized businesses, including:

- Training needs assessment,
- Development of structured training plans,
- Training attestation, evaluation and follow-up to ensure that training programs have met the needs of employers and employees, and
- Assistance in developing human resource plans;

2. *Training Costs Assistance*

Incentives to encourage work-based training by off-setting a portion of the direct cost of training, such as instructional and development costs but excluding wage subsidies, especially for small and medium-sized businesses. Particular attention would be given to workers requiring training due to technological change.

Common small business training needs will be identified and short-duration training courses offered locally at times convenient to employers and workers. It is anticipated that the majority of this training would be delivered by the community colleges and other public and private suppliers, with due consideration given to quality and cost efficiency;

3. *Development Costs for Workplace Training Materials*

Off-setting of development costs for preparation of training materials for workplace training (e.g., written, audio-visual, graphic, or computer-assisted training support materials);

4. *"Training the Trainers" Courses*

Provision of three-to-five day courses to employers and supervisors on how to develop and conduct formalized training in the workplace;

5. *Trades, Technicians and Technologists Updating*

Upgrading courses in a select number of trades and technical occupations impacted by changing technologies. Training will be delivered both on-site and off-site by community colleges and private trainers using industry-driven curriculum at times and locations which are convenient to employers and trainees;

6. ***Workplace Literacy Programs***

Illiteracy is a problem in many workplaces which results in lower productivity. Assistance to off-set the cost of instruction and materials would be made available to employers who wish to develop literacy programs for their workers;

7. ***"Skills Bank" Inventory***

Developing a computerized data-base or "Skills Bank" which would provide an inventory of all public and private suppliers of training in Manitoba together with information on federal and provincial training programs and services. The Skills Bank will work closely with organizations which regularly provide information to businesses, such as local Chambers of Commerce, Regional Development Corporations, Community Futures Offices, and Canada Employment Centres. The emphasis at the community level would be on local suppliers of training with the Manitoba Skills Institute providing information on providers of specialized training available in Manitoba or elsewhere.

REGIONALLY BASED SERVICE DELIVERY

The Training Advisory Service would be provided through a regional delivery network to ensure easy employer access. It is suggested that the existing network of Regional Employment Support Services offices, operated by Manitoba Family Services and utilized by Manitoba Education and Training, could serve as the basis for the network without the allocation of additional resources.

The regional delivery network would provide a focal point for the brokering of training information to both employers and workers. Through the Skills Bank, information would be available on what training is available both locally and elsewhere, including information on continuing education and extension programs, in promoting a training culture and the principle of lifelong learning. This would include information on small business management training provided by federal and provincial departments and agencies, such as the Federal Business Development Bank and Manitoba Industry, Trade and Tourism.

REVITALIZING THE APPRENTICESHIP SYSTEM

The apprenticeship system in Manitoba encompasses one of the earliest and most durable partnerships between the private sector, labour, and government. This year marks the 45th anniversary of the implementation of the Apprenticeship and Trades Qualification Act. Apprenticeship is a training model which can continue to adapt and flourish if it becomes more flexible in its approach. In the past decade, the apprenticeship system in Manitoba has fallen into disrepair. Recent efforts which support the revitalization of the existing system must be encouraged because apprenticeship continues to be an important training model to large sectors of the Manitoba business community.

Apprenticeship works because it is industry-driven. It focuses upon meeting industry's need for skilled workers. On-the-job training and practice is complemented with short periods of in-school technical and theoretical training with regular testing and monitoring to ensure competency. The average apprenticeship lasts four years, though it can vary from two to five years, depending on the trade. Each year involves between 1,200 and 2,000 hours of on-the-job training and four to ten weeks of in school training.

Eighty-five percent of an apprentice's training occurs under the direction of a qualified tradesperson, on-the-job. This transfers the cost of this portion of the program to the employers and apprentices. The provincial government provides the infrastructure for apprenticeship while the federal government pays for in-school course costs and provides income support under the Unemployment Insurance system. Since apprentices earn while they learn, they contribute to the provincial tax base and economy. The net result is a modest cost to the provincial government for operating the apprenticeship system.

Each of Manitoba's 40 designated trades is guided by a Trade Advisory Committee made up of 50% employer and 50% employee representatives. These committees develop legislative regulations for their trade, recommend wages to be paid to the apprentice during training, and recommend curriculum changes that will result in appropriate skill development for the apprentice. The Trade Advisory Committees play an important role in ensuring that core curriculum matches industry requirements.

PROBLEMS FACING THE APPRENTICESHIP SYSTEM

A number of issues need to be addressed over the short term in order to strengthen the apprenticeship system. Although there have been noticeable improvements in some areas over the last 18 months to begin the process of revitalization, additional effort is required on the part of government, industry and labour.

In a system as complex and inter-related as apprenticeship, the roles and responsibilities of the various partners must be carefully defined and articulated. Over the last decade, industry support of apprenticeship has dwindled. Many of the Trade Advisory Committees became inactive. There was little input from industry about changes within the trades due to technology. Although industry continued to support apprenticeship in principle, in reality the system had become rather inflexible and out of touch with the needs of the marketplace. In the last two years there has been notable improvement in the system and it is possible for business, labour, government, and educational institutions to build a truly first-rate system for the coming decade.

Curriculum Quality

In many trades, the apprenticeship curriculum is out of date with current technology. The Apprenticeship Branch has begun to address this issue through renewed efforts to strengthen the Trade Advisory Committees. This process must continue. Curriculum review and updating must be completed for all trades within the next year and on a regular basis thereafter. In order to accomplish this, the Apprenticeship Branch must ensure that the curriculum sub-committees of the Trade Advisory Committees meet on a regular basis and are comprised of strong industry and labour representation.

There exists a degree of duplication between the Apprenticeship Branch, which is responsible for the Trade Advisory Committees, and the community colleges and vocational high schools which have a separate advisory committee process. Under the apprenticeship system, the Trade Advisory Committees establish the core curriculum and level testing is based upon the content of the core curriculum.

Community colleges and vocational schools often choose not to use the core curriculum developed by the Trade Advisory Committees. This problem originated because many of these committees were inactive, and as a result, the curriculum was out of date. The lack of consistency in curriculum has resulted in serious problems because students are unable to pass their level examinations in some areas. With respect to vocational education programs at the high school level, failure to use the core curriculum results in the student being denied the right to take the first level exam. This leads to a lack of articulation between high school and in-class apprenticeship training at the colleges since students receive no credit for the work which they have already completed.

The government should establish a policy which mandates the Trade Advisory Committees to establish the core curriculum for apprenticeable trades, both to ensure quality of content and the efficient use of limited resources. Furthermore, the policy should state that community college and high school vocational programs in trades-related areas should follow the core curriculum.

Lack of Flexible Delivery

Apprenticeship training is not always delivered in a suitable fashion to meet employers' needs. Traditional block release (4-10 weeks) for in-school training continues to be the primary method used by the Apprenticeship Branch in Manitoba. The reason given for this is that it accommodates the apprentice's need for income support under the Unemployment Insurance Act. Although this may apply to most trainees, it does not hold true for all apprentices and is unsuitable in some industries (e.g., manufacturing).

The Committee recommends the use of innovative delivery methods in order to expand the use of the apprenticeship model. These delivery methods include: day release, distance education, and on-site classroom training. The apprenticeship system should shift from level testing, with its time-based approach, to competency-based testing in manufacturing-related trades. High dropout rates in apprenticeship programs are in part due to program length, teaching methodology, and the unwillingness to shift to a competency-based approach which recognizes experiential learning.

Portability of Credentials

Mobility of tradespeople and apprentices is an important requirement of a successful apprenticeship system. In Manitoba, 90% of all trades fall under the Red Seal Program which governs interprovincial portability of credentials. Additional efforts are required to ensure that greater numbers of tradespeople write and pass the Red Seal examination process. In addition, portability is becoming an issue for apprentices who have not completed their program. The province has an important role to play in supporting further expansion of the Red Seal Program and for ensuring that Manitoba tradespeople and apprentices are able to meet national standards.

Responding to the Needs of Students and Apprentices

Educational institutions and other training providers develop unrealistic expectations of students when they promote trades-related training, either at the high school level or in programs funded under the Canadian Jobs Strategy, that has no subsequent value under the apprenticeship system. Trades-related courses should be accredited by the Trade Advisory Committees before being offered to ensure that student expectations can be met. In addition, courses of a pre-employment nature related to a specific trade must ensure that upon completion the graduate will meet the entrance requirements for the trade.

The timing of training is often inconvenient for apprentices. For example, block release for apprentices in the construction trades often takes place in September and October. Many apprentices then fail to take their scheduled in-class training knowing that they are likely to be unemployed from November to March. Whenever possible, training should take into consideration the apprentice's circumstances.

Recruiting New Apprentices

The future of the apprenticeship system and the trades in Manitoba will in large part depend upon our ability to recruit sufficient numbers of suitable apprentices to meet anticipated demand. Given that the average age of journey persons in Manitoba is over 45 years, and over 55 in selected trades, there will be a need to recruit large numbers of apprentices during the next decade.

Even at present levels, recruiting apprentices can be difficult. Part of the problem is that the image of tradespeople has deteriorated. There is little awareness about trades on the part of the general public, media, parents, teachers and counsellors.

There will be three major sources for recruiting apprentices in the future and at present there is difficulty attracting sufficient numbers from these groups: youth, women, and Natives. For example, at the same time as the youth population is declining, fewer young people are showing interest in apprenticeship due to the poor image of the trades in our "white collar" society.

The recruitment issue must be addressed within the public school system. The shortage of recruits is a result of the poor image of the trades with parents, teachers, and students. It is also due to inadequate counselling and career planning, and the poor levels of basic skills found within the school system. The private sector has an important role to play in promoting within the school system an increased interest in the trades. The Apprenticeship Branch is attempting to address these issues, but additional efforts are required including a Trades promotion program. Counselling and career planning must be provided. A high school apprenticeship program should be established on a pilot basis as a means of securing recruits and commencing training prior to leaving school.

Women are seriously under-represented in the apprenticeable trades. In Manitoba there are only 34 qualified female journeypersons and of 3,500 apprentices, only 43 or 1.3% are women. Native youth often lack the necessary mathematical and technical skills required as a prerequisite for entry into apprenticeship. Creative solutions together with advance planning among industry, labour, government, and educational institutions to determine future needs and approaches will be essential.

Better results must be achieved with respect to women, Natives and other under-represented groups in apprenticeship training. An action plan should be developed to establish formal equity targets for the program. These targets should be progressive and incremental over time. The responsibility for achieving the results should rest with the Apprenticeship Branch and other key players. A quota system is not favoured. Although efforts must be made to increase participation by equity group members in apprenticeship, it is essential that existing standards and requirements not be compromised.

TRADES UPDATING

Due to the impact of technological change, tradespeople will require upgrading programs throughout their careers. The Apprenticeship Branch, through the Trade Advisory Committees, should undertake a review of all trades to identify those in which upgrading programs should be developed. The costs of these programs should be shared by government and industry.

In addition a "Train the Trainers" program should be developed for the benefit of work-site coaches. This program should be developed by the Apprenticeship Branch in conjunction with the Department of Education and Training ensuring appropriate input from industry and labour through the Trade Advisory Committees.

Industry must work closely with the community colleges to ensure that apprenticeship instructors are exposed to new technologies in the workplace. Staff exchanges between industry and educational institutions should be encouraged. Industry can also support the institutions by allowing the secondment of staff with technical expertise to assist with training in new technologies and processes.

REVITALIZATION

Over the past several years, apprenticeship has received careful scrutiny in numerous studies. The conclusions have been consistent: apprenticeship, compared to other training methods, is cost efficient and effective. Changes are required, however, in order to improve the existing system. Some of these changes will require additional resources in the short-term. The apprenticeship model is already in place to make industry driven, industry-based training responsive and dynamic. The revitalization of the apprenticeship system will ensure that the model is able to meet industry's requirements in the decade ahead.

NATIVE EDUCATION AND TRAINING STRATEGY

There is an urgent need to develop and implement a strategy which addresses the education, training, and employment needs of Manitoba's Indian and Metis people. This will require the commitment and resources of government and the private sector together with leadership and ownership by Native individuals, organizations, and communities.

The Committee's mandate to determine private sector skills training demands did not specifically include labour supply issues or the needs of those groups which are at a competitive disadvantage in the labour market. However, we would be remiss if we did not address the serious difficulties encountered by Natives in the labour force.

Sixty percent of Manitoba's Native population is under the age of 25. At a time when the overall size of the youth cohort continues to diminish, Native youth will comprise up to 25% of new labour force entrants by the year 2000. Increasingly, Natives must become a major source of skilled workers contributing to the province's competitive ability.

The future role of Native workers as a major source of skilled labour is in stark contrast with the present reality. Native leaders estimate that unemployment in certain communities exceeds 60%; only 16% of on-reserve Natives complete Grade 12; and 34% of Native youth are functionally illiterate. Collectively, Manitobans face the challenge of transforming this present-day tragedy, whether measured in human, social, or economic terms, so that Native Manitobans may participate more fully in the skilled labour force and receive an equitable proportion of the economic benefits enjoyed by the non-Native population.

In order to face these challenges, the private sector must work together with Native communities and government in developing a Native education, training, and employment strategy.

Urban Native Strategy

The provincial government is already working with Manitoba's Native communities to develop a comprehensive Indian and Metis Urban Strategy. This process was initiated in the May 1989 in a three-day workshop with Native leaders which produced several recommendations concerning education and training. Although there is a two-year time frame for developing an overall strategy, the government should respond to these recommendations and to other specific requests by Native organizations in a timely fashion.

Native Ownership and Control

Native organizations and communities have been frustrated in their efforts to secure government funding for education and training initiatives. In the past, the government's approach has focused on providing programs and services for Natives largely delivered by the non-Native bureaucracy. Earlier in this report, it was recommended that government decentralize the decision-making process to distinct interest groups in order to increase participation and to facilitate community ownership. This general principle should also be applied to education and training programs and services for the Native population. Although the process of Natives taking control over programs and services will be gradual, future efforts must build the capacity of Native organizations and communities to respond.

Public School System

Most Native students have difficulty progressing through the public school system. For example, a 1988 Manitoba Metis Federation survey found that 86% of Metis students fail to complete Grade 12. The majority of Native students who do make it through the system are not academically prepared for post-secondary education since most have been placed in vocational education and general studies programs.

There are complex reasons for these poor results. Government and school divisions must investigate ways to improve the existing system in consultation with Native organizations and communities. A wide variety of approaches may be necessary including both integrated and Native-controlled schools. There has been considerable success in improving the numbers of graduating students in on-reserve Native-controlled schools, such as the Peguis Education Authority. Such approaches should be considered on a pilot basis through the redirection of existing resources.

The private sector can play an important role in providing in-school students with work experience and high school graduates with a job guarantee. As discussed earlier, additional cooperative education programs involving the private sector should be developed as well as "adopt-a-school" programs which guarantee employment to graduating students. Summer employment is also an important incentive for many Native students to stay in school.

Post-Secondary Education

There have been improvements in the number of Native students enrolling in community college and university programs, in part due to the array of Post-Secondary Career Development (Access) programs. In spite of these advances, Native students remain under-represented and often fail to complete their studies due to poor academic readiness, limited student supports, and lack of financial assistance. Post-secondary institutions should develop progressive targets to increase the number of Native students and ensure that the necessary supports are in place.

At a time when additional effort is required, there are two discouraging developments with respect to federal funding of Native post-secondary education. A cap has been placed on post-secondary expenditures for Status Indians and funding for long-standing human resource development programs, including university and community college Access programs, is being terminated. The provincial government should continue to negotiate alternative funding arrangements with the federal government to allow greater Native participation in post-secondary education and to ensure the survival of existing programs.

Many Native students seeking post-secondary education must first take a program of academic upgrading and basic skills training. Many of these students would benefit from a Native environment providing an holistic approach to education and training. The government should investigate the possibility of establishing a Native-controlled post-secondary institution affiliated with a community college and/or university. This has been tried successfully in other jurisdictions; for example, the Saskatchewan Federated Indian College which is totally funded by the federal government. Such an institution could provide a range of institutional and community-based programs, including academic upgrading, life skills, literacy, Native languages and culture, and university transfer courses. After successfully completing this program, students could further their studies in an integrated institution.

Community-Based Training Programs

There are a number of community-based skills training programs designed for Native clients, such as the New Careers and Core Area Employment and Training Programs. These programs combine classroom training with on-the-job work experience, usually using a competency-based approach.

The private sector can provide training opportunities to Native students in these programs leading to permanent employment in business and industry. These training initiatives should be maintained, but with increased involvement by Native organizations in planning and delivery.

Native Employment and Affirmative Action

Native leaders have expressed concern that even those students completing academic programs often have difficulty securing employment either in the private sector or with government. They question the commitment on the part of the private sector and government to hire Native workers. The private sector must do more to recruit, develop and maintain Native employees.

The Canadian Council for Native Business promotes private sector efforts to assist Native people to develop economic self-sufficiency. Its activities include an internship program which places Native individuals in business organizations as well as providing expertise to Native entrepreneurs.

Many private-sector employers who are committed to hiring Native workers have expressed frustration with the shortage of Native applicants. This situation can be remedied by ensuring that government education and training programs are more closely linked with subsequent employment. Government and Native agencies, such as the Core Area Employment and Training Program and the Native Employment Service, could assist by expanding efforts to facilitate the transition from training to employment.

Native Scholarship Program

Due to the many difficulties Native students encounter with the education system, the focus of attention is usually on negative issues. There has been insufficient effort made to encourage and reward those Native students who excel.

One positive step would be to establish a scholarship program for gifted Native students which focuses on excellence and provides the necessary funding for post-secondary education. This could be accomplished through the establishment of a Trust Fund comprised of corporate and individual contributions and cost-shared by government.

Government-Native-Business Forum

Solving the problems facing Native Manitobans with regard to education, training and employment will require the firm and ongoing commitment of three principal groups: the Native community, government, and the private sector. There are a number of ways in which specific concerns can be addressed. One such mechanism would be to establish a consultative body representing the three partners. While many of the problems of the Native community, including illiteracy and communication skills, are common to both the urban and rural Native communities, there are sufficient differences in economic structures to warrant separate attention.

For example, the rural communities confront problems of remoteness and job opportunities more heavily directed towards resource and energy development. The urban community confronts problems of an urban society with greater job opportunities in manufacturing and service sectors.

These differences are sufficient to warrant separate structures reflecting these divergent needs. It is, therefore, recommended that two tripartite committees be established, one for the urban environment and another for the northern and rural areas. These committees should be modest in size and involve senior Native, government, and business leaders. These committees would provide an on-going forum in which to address education, training, and employment issues. More importantly, they would ensure open and direct communication between senior leaders from the Native community, government and the private sector and provide a mechanism for monitoring progress.

AN OUTLINE FOR CHANGE: MAJOR RECOMMENDATIONS

Developing the skills of Manitoba's labour force will require the collaborative efforts of all labour market partners. The role of the provincial government is to provide leadership through central policy direction, facilitate a training culture, maintain the educational infrastructure, and direct limited funds to key priorities. This report makes specific recommendations on how government can promote the development of a skilled labour force by focusing its efforts in the following areas.

1. Develop a Provincial Labour Force Strategy

A provincial labour force strategy would provide the policy framework for developing the province's human resources. The partnership principle should be central to the strategy. The strategy should be developed in conjunction with the federal government and establish key priorities, including the appropriate balance between economic and social objectives. One objective of the strategy would be to rationalize the mandates of the two levels of government to avoid unnecessary duplication.

Once a strategy is in place, two mechanisms would provide ongoing advice from labour market partners:

- *Community Training Committees* reporting to both levels of government would identify local skill needs and priorities; and,
- *The Manitoba Skills Institute* would advise on public policy, assess training activities, and promote a training culture within Manitoba, in addition to serving as an information broker on sources of specialized work-based training.

2. **Improve the Public School System**

The public school system should be responsible and accountable for providing a strong basic education and entry-level vocational training to youth and adults. Clear policy direction is required to achieve the following objectives:

- Improve basic skill levels and reduce illiteracy;
- Expand the use of vocational programs;
- Reduce the dropout rate and develop return-to-school programs for both youth and adults; and
- Establish an accountability framework.

3. **Strengthen the Community Colleges**

The community colleges are a central resource for developing higher level skills of the Manitoba workforce. In order to improve the performance of the college system, government should act on these priorities:

- Establish Board Governance to improve institutional flexibility and responsiveness;
- Increase the number of high school graduates who directly enter the college system and develop the institutions as centres of lifelong learning;
- Improve access to college programs in rural and northern Manitoba;
- Make additional investments in curriculum development, especially using competency-based training and cooperative education models;
- Expand extension programs, especially those leading to accreditation or designed for the working poor; and
- Build stronger links between the colleges and the private sector and improve capacity to develop tailor-made programs.

4. **Facilitate Human Resource Planning and Training**

Government can play an important role in facilitating human resource planning and training by a larger number of employers. There are two ways in which this can be accomplished:

- Focusing on key sectors and industries through industry human resource planning agreements; and
- Providing a training advisory service to small and medium businesses and make available a number of programs designed to improve the skills of the existing workforce, including:
 - Training incentives to offset institutional and development costs,
 - "Training the Trainers" courses,
 - Workplace literacy programs, and
 - Information on public and private training programs and services through a computerized "Skills Bank" inventory.

5. **Revitalize the Apprenticeship System**

Recent efforts to revitalize the provincial apprenticeship system must be further expanded in order to improve its ability to respond to employer needs. Government can assist by ensuring that sufficient resources are available to address the following issues:

- Improve curriculum quality by ensuring that strong Trade Advisory Committees review industry requirements in all trade areas and that vocational schools and colleges follow the established core curriculum;
- Utilize more innovative delivery methods including day release, distance education, and on-site classroom training;
- Shift to a competency-based training model rather than the current time-based approach;

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- Develop a high school apprenticeship program on a pilot basis;
 - Develop a recruitment plan for new apprentices, including targets for under-represented groups; and
 - Provide trades updating programs in areas impacted by technological change.

6. Address the Education and Training Needs of Natives

There is an urgent requirement that government develop a strategy to address the education, training and employment needs of Native individuals and communities. This will require the commitment and resources of government and the private sector together with leadership and ownership by Native communities. Up to one-quarter of new labour force entrants in the next decade will be Native. Yet at present educational attainment among the Native population is poor and unemployment is extremely high.

There are a number of ways in which government can work to address specific concerns. The establishment of two government-Native-business forums (one for urban areas and another for rural and northern Manitoba) would provide an opportunity to bring together senior Native, government, and private sector leaders to find ways in which to bring Native Manitobans into the economic mainstream.

The recommendations in this report present a basic outline for developing the provincial labour resource to meet indicated demand. The objective is to provide focus to skill development efforts and to encourage greater participation by both private and public labour market partners. This cooperative approach is essential if Manitoba is to remain competitive in the coming decade and provide expanding opportunities for a skilled and adaptable labour force.